

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

83-0501/1

FROM:

C/CTG/ORD/DDS&T  
632 Ames Bldg.

EXTENSION

NO.

DATE

6 January 1983

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TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. DDCI *in*  
7-E-12  
Hdqs.

2.

3. *EDIN*

4.

5. *ER - file*

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8.

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15.

3: AT - Jan  
had no particular  
reaction. Don't  
think there's much  
constructive here -  
still like your 3  
paragraph suggestion  
best.

DDS aren't  
going to want  
to hear about  
Rars for awhile

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EYES ONLY

P122

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6 January, 1983

Dear John,

I read with some dismay your recent Headquarters Notice regarding Performance Appraisal Reports and the numerical ratings on them. I strongly disagree with several of the implications and with the logical consequences of the actions you want implemented. I believe that you and the Director may be rightfully concerned about the mechanisms and the corporate ethos that surrounds performance appraisal and employee/ supervisor communications; but my inferences from your notice are almost universally negative. I believe that you have been misled to some extent by the use of certain statistical measures which I argue are invalid from the beginning.

To begin with, you and the Director have stated publicly on multiple occasions that the caliber of the people at the Agency is "superior" to that you encounter in other parts of the government. Assuming that to be true, then it is logical that our average employee would be rated higher than a statistical "4" on our PAR forms. If it is the intent to rate or grade Agency employees "on a curve" internal to the Agency, one must ask why that is important. Traditionally, a curve is used to grade people when the classic yardsticks yield too many failures and not the reverse. But if for a moment one stipulates that an internal measuring scale is desirable, one must consider the possible implications of installing it after many years of a corporate sociology that has denied such a scale.

Since you state that statistics will be maintained on raters in the PAR system, one can only conclude that something will be done with such data. Given the penchant for averages among people in the Office of Personnel, I would assume that average ratings will be computed for each rater. In such a case, I would argue that one should look very warmly on an honest rater who has all his people in the "excellent" or "superior" category. As a supervisor, that rater has achieved an enviable and laudable goal - he has recruited very good people, kept them working at high efficiency, and has probably weeded out those of only average contribution to the organization. It is unlikely that such an interpretation would be made given the tone of the Headquarters Notice.

You notice that I purposely loaded the previous example in my favor by saying that the rater was an honest one. Therein lies the rub. Performance Appraisal is only useful to anyone when it is done honestly. The rating scale, policy pronouncements, and all manner of dressing up the forms will not accomplish the goal of honesty in PARs. And conversely, dishonesty will not be avoided by any of the above.

Please allow me to make some constructive suggestions and comments about the Performance Appraisal system that could lead to some positive ends. I will be intentionally (and mercifully) brief; but I stand ready to elaborate on any of these suggestions in any format or forum you may desire.

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a. Eliminate the 1 - 7 rating on the front page of the PAR entirely. It could be replaced with the Category Ranking (I - IV) arrived at by the component career service panels and a lengthy narrative by the supervisor. The reverse side of the form could be devoted to narrative by the reviewing official. Having such space available would, I assert, provide more information on the individual's performance than the current form. Performance Appraisal is subjective to a large extent despite Advance Work Plans and the like. The 1 - 7 ratings on various job elements appear to me to be an attempt to make the subjectivity look more objective. Worse yet, they seem to have become a crutch for some managers in making decisions about the worth of employees.

b. Consider the possibility of not requiring PARs for every employee on a yearly basis. Certain jobs have a natural time sequence which does not coincide with the Earth's journey around the sun. For some people, one PAR every two years may be perfectly appropriate; for others one every six months would be ideal. Why must everyone in a certain grade have a PAR at the same time? I do not think it is necessary to have everyone on the same schedule, and I think this really is a policy that reduces everyone to a least common denominator.

c. Consider the consequences of reducing the ratings of people who have been receiving 6's and 7's. Despite all of the pronouncements, some of these people will respond negatively to this action. At the senior levels particularly, such action could cost us competent staff. At the senior levels I perceive that the majority of the people work here for ego gratification and not for monetary reward. If only one excellent staff employee reacts negatively and leaves the Agency or becomes disgruntled because of such action, I assert that the cost is too high.

d. Consider the consequences of keeping statistics on raters. To keep one's average low, one might be tempted to retain some less than super performers for a longer time than is organizationally desirable. If the fundamental problem that led to your issuance of the Headquarters Notice arises from an inability on the part of supervisors to rate people properly, such a scenario is not inconceivable particularly after the first statistical report on raters goes to the career service heads.

e. Consider the basic purpose of the Performance Appraisal Report. I assert that the primary purpose is to provide positive feedback to the employee on a periodic basis assuming that a competent manager has made constructive negative remarks to the employee soon after the actions that should engender such remarks. As communication with the employee is the primary purpose, a distant secondary purpose is to communicate with potential future supervisors of the employee as to his/her capabilities. A yet more distant tertiary purpose is to provide a paper record to justify future positive or negative actions regarding the employee. But I cannot believe that a supervisor should write a PAR with the intent or concern that the document is a measure

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of himself/herself. Perhaps we need to examine the critical elements of performance appraisal and limit the number of objectives to be served by the formal process.

To conclude on a positive note, I agree that the currently implemented system of performance appraisal in the Agency leaves something to be desired. But we have tried in the past to "encourage" lower ratings; we have tried calling performance appraisal by other names; we have tried letter ratings and number ratings; and we have had five-point and sevenpoint scales. All of these schemes have led to a situation where you felt the need to issue the recent Headquarters Notice. Therefore, they are imperfect. In that light, I would suggest that you should commission a group of senior officials in the Agency to study this issue and come up with some truly innovative means of approaching the problem and that various means be tried on representative Offices in the Agency.

Happy New Year,

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[redacted]

ORD/DDS&T

P.S. The above are my thoughts alone. They are not necessarily shared by others in ORD or the DDS&T. I have provided copies of this letter to the Director of Research and Development and the Deputy Director for Science and Technology as a courtesy.

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